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Report of the Ad Hoc Advisory Group on Haiti**

Summary

The present report analyses the follow-up that has been made to the recommendations contained in the report of the Ad Hoc Advisory Group to the Council last year (E/2007/78) on key issues for the long-term development of Haiti, namely development planning and aid coordination, institutional capacity-building and the levers for economic and social development. It also provides information on the food crisis that Haiti has been experiencing in the past months, which has led to the destitution of the Government and to an institutional and political vacuum, and on action needed to put an end to the crisis. In this context, the Group stresses the importance of a new Government being in place soon, in order to consolidate stability and build on the gains achieved since 2004. In its concluding part, the report makes recommendations addressed to the Haitian authorities, the United Nations system and donors, aimed at improving the economic and social situation in the country and the impact of development support, an objective that has never been as topical as it is today.

* E/2008/100.

** The present report has been submitted late because the calendar of activities of the Group was changed due to the political situation in Haiti.

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I. Introduction

1. The present report is the fourth one submitted to the Economic and Social Council since the Ad Hoc Advisory Group was reactivated in 2004. At that time, following a request made by the Government of Haiti, the Council decided by its resolution 2004/52 to reactivate the Ad Hoc Advisory Group on Haiti, which was established in 1999 to help coordinate the development of a long-term programme of assistance to the country. In keeping with Council decision 2004/322, the Group is composed of the Permanent Representatives of Benin, Brazil, Canada, Chile, Haiti, Spain, and Trinidad and Tobago to the United Nations. The President of the Economic and Social Council and the Special Representative of the Secretary-General in Haiti are also invited to take part in its meetings. Since its first meeting, on 23 November 2004, the Group has been chaired by the Permanent Representative of Canada to the United Nations.

2. In its resolution 2007/13, the Economic and Social Council decided to extend the mandate of the Ad Hoc Advisory Group until its substantive session of 2008, with the purpose of following closely and providing advice on the long-term development strategy of Haiti to promote socio-economic recovery and stability, with particular attention to the need to ensure the coherence and sustainability of international support for Haiti, on the basis of long-term national development priorities and building upon the Interim Cooperation Framework and the forthcoming poverty reduction strategy, and stressing the need to avoid overlap and duplication with respect to existing mechanisms. The Council also requested the Group to submit to it a report on its work, with recommendations, as appropriate, at its substantive session of 2008.

3. It is recalled that in its report to the Council at its substantive session of 2007, (E/2007/78), the Ad Hoc Advisory Group presented a comprehensive analysis focused on: (a) the status and prospects of the economic and social development of Haiti; (b) the weakness of State institutions in the country and its consequences for aid management and delivery; and (c) development planning mechanisms and aid coordination in Haiti. The Group, which was encouraged by the evolution of the situation that it had witnessed during its mission to the country in April 2007, formulated recommendations addressed to the Haitian authorities, the United Nations system and donors aimed at improving the economic and social situation in Haiti and the impact of development support.

4. Following the adoption of resolution 2007/13 by the Council, the Group elaborated a programme of meetings and activities and planned to undertake a new mission to Haiti in spring 2008. It met with Paul Emile Simon, Senior Adviser to the Minister of Tourism and to the Minister of Planning and External Cooperation, and had briefing sessions with the Deputy Special Representative of the Secretary-General for Haiti and United Nations Resident Coordinator in Haiti, and the Director of the Europe and Latin America Division of the Department of Peacekeeping Operations. On 8 April 2008, the Group carried out a mission to Washington D.C., where it met with representatives of the International Monetary Fund (IMF), the World Bank, the Inter-American Development Bank and the Organization of American States (OAS). The discussions evolved around the work of these organizations in Haiti, the effectiveness of development support to the country, prospects for international aid in the context of the implementation of the national growth and poverty reduction strategy paper elaborated by the Haitian

Government and the growing tensions in Haiti around the cost of living and the food crisis. At OAS headquarters, the Group, which met with the OAS Assistant Secretary General, Permanent Representatives and staff members, discussed the political engagement of the Organization and its capacity-building activities. On 17 April, the Group had an encounter with representatives of non-governmental organizations active in Haiti, including diaspora organizations. The Group expressed its gratitude to the New York office of Caritas Internationalis for its support in organizing that meeting.

5. The demonstrations that began in the city of Les Cayes in early April 2008, and spread to Port-au-Prince in the following days, led to the destitution of the Government by the Senate on 12 April. Since then, the Government has been taking care of day-to-day business, and the attempts by President Préval to appoint a new Prime Minister, namely Erick Pierre, in May and Robert Manuel in June 2008, were opposed by the Parliament. In this uncertain context, the Group postponed its mission to Haiti, which was scheduled from 27 to 30 April 2008 and, given the lack of progress in the political situation, decided to cancel its visit at the end of May. Even if a Government assumed duty in the following weeks, time had become too short for the Group to visit the country and prepare a meaningful report to the Council for its consideration at its July session.

6. The Group was grateful to all its interlocutors during the above-mentioned encounters for their time sharing views and analysis on the situation in Haiti, which were valuable in the preparation of the present document. However, the cancellation of the mission to Haiti prevented the Group from having a direct source of information which is essential to the added value of its reports.

7. That fact and the above-mentioned economic, social and political instability that prevails in Haiti jeopardize the limited but real progress gained in recent years. In this difficult context, the Group wishes to draw the attention of the Council to relevant developments related to the observations and recommendations contained in its report of last year and to highlight the challenges of the food and fuel crises that have deeply affected the country, stressing the need to enhance rural development, provide jobs and ensure access to food and basic services free of charge to those most in need.

II. Follow-up to the observations and recommendations of the Group contained in its previous report

8. In the second half of 2007 and until the crisis that led to the destitution of the Government, progress was made in various aspects of development planning and strengthening local institutions to absorb international support. Such progress was welcomed by many development partners of the country, who continued to increase and improve their support to Haiti. Important developments are presented herewith, following the structure of the report submitted by the Group last year and focusing on the recommendations contained in it.

A. Development planning and aid coordination

9. The Haitian authorities succeeded in finalizing the national growth and poverty reduction strategy paper by the end of 2007, which was a real achievement, given the demanding nature of that exercise in respect of both its substance and its methodology. The strategy paper presents three main areas of action: promoting vectors of growth (agriculture and rural development, tourism, infrastructure and science and technology); strengthening human development with a focus on improving the delivery of basic services; and improving democratic governance, including the security and justice system. Environmental protection, disaster risk reduction and HIV/AIDS are presented as cross-cutting issues.

10. Haiti's development partners have praised the timely finalization of the strategy paper, which was expected to be an important instrument for international support to Haiti and would have been useful for the high-level international conference convened by the Government, which was originally scheduled to be held in Port-au-Prince on 25 April and was subsequently postponed sine die. Representatives of the Bretton Woods institutions, with whom the Group met in Washington, D.C., expressed their willingness to mobilize funding for the strategy paper and to work on the coordination and implementation process, although concern was expressed about the level of international support expected, which was higher than what could be provided by major donors.

11. The agricultural and rural development component of the strategy paper can be used in the current context to enhance support to these sectors. The Group wishes that all possible use be made of the thorough analysis contained in that document, the legitimacy of which also stems from the participatory process that underpinned it. As deep as the crisis may be, Haiti needs a policy framework that enables going beyond short-term actions to engage the country on medium and longer-term policy options. The strategy paper remains a relevant tool in that perspective, and there seems to be a consensus within the various State institutions that the document will remain the major road map for the development of Haiti.

12. In its 2007 report to the Council, the Group advised that development partners and donors should be as flexible as possible in order to adjust programme delivery to the reality on the ground. It is noteworthy that some institutions have made progress in this area. The Inter-American Development Bank reported that it had delegated a high number of responsibilities to its field office in Port-au-Prince, more than it had done anywhere else, in order to facilitate the management of procedures and the delivery of aid. Given the limited number of private companies that accept to be contracted to work in Haiti, the international financial institutions, including those from the Dominican Republic, have made efforts to facilitate their participation in bidding processes. The United Nations Stabilization Mission in Haiti (MINUSTAH) and United Nations agencies have also continued to work jointly, including in potentially violent areas where security, humanitarian aid and development support are simultaneously needed.

13. Coordinated action by development partners remains key to ensuring the effectiveness of aid to Haiti. The Group recalls the recommendations contained in its previous report and underscores the importance of coordination in such crisis situations as the one currently being experienced by Haiti. In addition, it welcomes the preparation by the United Nations system of the United Nations Development

Assistance Framework, which will be finalized shortly and is being updated to factor into the strategy the latest developments due to the food crisis, and more generally the need to ensure the delivery of basic services free of charge to the most vulnerable Haitians.

14. The Group supports the idea of representatives of the international financial institutions in Washington, D.C., earlier this year that, when a new Government is in place, multidonor schemes for specific sectors should be set up with ownership by the Government, focused on the strategic levers of Haiti's long-term development. The Group understands that the Executive Group of Donors, representing the major international actors on the ground, is preparing a joint strategy for international support that will be presented to the new Government. This is a welcome development.

B. Institutional capacity-building

15. Despite progress made to improve programme delivery, the key challenge remains the strengthening of local capacities to manage development programmes. The interlocutors of the Group stressed the continued weaknesses of public institutions that lack sufficient human resources capable of formulating and implementing projects. For example, while the capacities of Ministries have been reinforced, leading to public revenue growth, the execution of public expenditures remains too slow. In addition, applying the new procedures and mechanisms put in place in the field of procurement is difficult because of lack of capacity to formulate projects and monitor implementation. The current political crisis in Haiti only exacerbates these weaknesses and contributes to demotivating the civil servants.

16. The justice sector is structurally weak, and this situation continues to undermine the credibility and authority of magistrates. However, in the period under review, the Parliament adopted three important pieces of legislation that the Group had called for in its last report, namely the laws on the *Conseil supérieur de la magistrature*, the *Ecole de la magistrature* and the *Garanties statutaires des magistrats*. This positive development should be appropriately followed up in order to give a concrete dimension to judicial reform, a task entrusted to a follow-up committee on judicial reform.

17. The capacity of the Parliament to adopt legislation is a key aspect of institutional reform efforts. The Group welcomes the assistance provided by various development partners to parliamentarians. However, it remains concerned as to the obstacles encountered in the functioning of this institution. In addition to the limited number of pieces of legislation passed, the crisis that the country is going through has focused the work of the two Chambers on urgent debates, including the endorsement of a new Prime Minister, to the detriment of reform processes that require parliamentary action. The end of the mandate of one third of the senators in May 2008 and the need to proceed with elections to ensure a fully functioning body raise additional concerns as to the capacity of the Senate to perform its tasks appropriately in the short and medium term, given the difficulty to reach the quorum to hold its sessions. The weaknesses in the functioning of the Parliament highlight the need for the international community to have a concerted technical approach to political parties, in order to help them fully play their role, as can be expected in a democracy.

18. The Group urges all political leaders in Haiti to do their utmost to ensure proper functioning of the two Chambers of the Parliament and review the draft legislation presented to them by the Government. Such action does not necessarily require that a Government be fully functioning and can be done without further delay. Among the draft legislation that have not been acted upon by the Parliament yet, the Group wishes to underline those related to key issues affecting the status of women, which were discussed during its 2007 mission; namely the laws on the recognition of informal unions (*plaçage*), the legal recognition of the birth declaration, whether made by the father or the mother, and the social protection of women and girls serving as domestic staff.

19. The security situation in Haiti is of ongoing concern to the Group, which notes that, following the recent crisis, incidences of kidnapping and violence have been on the rise in the country, while they had decreased sharply at the beginning of the year. This situation, which challenges the Haitian National Police, is also likely to further increase the vulnerability of civil servants and their capacity to perform their tasks. The call made by the Group last year to protect customs and tax administration officials is still of high relevance in the current context if we want to avoid the civil service and the State apparatus from becoming paralysed. The role of MINUSTAH, whose mandate was extended for a year by the Security Council, by its resolution 1780 (2007), remains crucial on all security-related issues.

20. The degradation of security conditions may also impact negatively on the capacity of non-governmental organizations to deliver support to the country, as exemplified by the recent kidnapping of a staff member of an international health NGO. The coordination of their work, as called for by the Group in its 2007 report, is also more complicated in this uncertain situation. It is recalled that up to 70 per cent of aid has been channelled through these organizations in recent years. Given the weaknesses of State institutions as outlined above and the political crisis that exacerbates them, the Haitian society requires the support of these stakeholders, which is often targeted at providing basic social services to the poor. In this context, the Group calls for the protection of aid providers and for ensuring that they can perform their much-needed tasks.

C. Haitian and international levers for economic and social development

21. In its previous report, the Group highlighted the coexistence of some encouraging macroeconomic performance, on the one hand, and the persistence of negative social indicators that explain the Haitian people's extreme vulnerability, on the other. In 2007, macroeconomic performances have shown further progress, with a growth rate of 3.2 per cent, clearly reversing the negative trend that prevailed until 2004. The improvement in macroeconomic governance brought a more stable environment with an increase in remittances and donor flows, and important debt relief by the Inter-American Development Bank, the largest multilateral partner of Haiti. The annual inflation rate, which had declined to 7.6 per cent in the summer, has since increased, further aggravating the hardships and frustrations of a population whose overwhelming majority is poor (three quarters of Haitians live on less than $2 per day, over half on less than $1 per day). In the United Nations Development Programme (UNDP) Human Development Report for 2007/2008, Haiti is ranked 146 out of 177 States; the previous year, it was ranked 154.

22. The Group recalls that, in 2006, the amount that emigrants sent to Haiti in remittances was approximately three times the amount spent by the Haitian State. The matter was discussed with the International Monetary Fund representative, who stressed that, while remittances were usually not considered as a motor of growth for Haiti (given that most of the money is spent on consumption), the money also went to the banking system and could therefore potentially be used for investments in economic sectors. Remittances are a very important part of the income of millions of Haitians, representing as an average more than a third of income at their disposals. In this regard, the slowing of the economic growth in the United States might directly impact the level of remittances to Haiti, as already experienced in several countries of the region in 2008. Should this decrease materialize, one can expect immediate additional hardship for the population.

23. The Group discussed the contribution of remittances to the country's development with a number of civil society organizations, in particular the "Home Town Associations", which bring together emigrants who help a specific town or region. These organizations expressed a desire to be more involved in the development process and to be considered stakeholders in their own right and capable, therefore, of taking part not only in financing and implementing projects, but also in designing them. In addition, they called for simpler administrative and customs-related procedures and legal guarantees vis-à-vis investments made. A stronger link should be made between this somewhat unstructured but highly skilled and well-funded group and the country's major development mechanisms. The United Nations could play a useful role in helping the country initiate a constructive dialogue with the Haitian diaspora.

24. The Group, which has made a number of recommendations concerning the importance of taking women into account in the country's development, was encouraged to learn that the Haitian Government has completed its initial report on the implementation of the Convention on the Elimination of All Forms of Discrimination against Women, as requested by the United Nations Committee concerned. Successful cooperation between Haiti's Ministry of the Status of Women and various bodies, both bilateral (Canadian International Development Agency (CIDA)) and multilateral (MINUSTAH, Division for the Advancement of Women/Department of Economic and Social Affairs), enabled the report to be drawn up through a process of consultations with a broad spectrum of institutional stakeholders and representatives of Haitian civil society. It is now up to the Committee on the Elimination of Discrimination against Women to consider the report, as soon as Haiti has a Government capable of presenting and defending it.

25. The Group noticed the potential of the Hemispheric Opportunity through Partnership Encouragement (HOPE) Act, which has boosted garment exportation in Haiti by providing tariff-free access to the United States. It is estimated that 4,000 jobs have been created as a result so far. In May 2008, the Chamber of Representatives of the United States adopted the Hope II Act, which provides a 10-year extension of this piece of legislation beginning October 2008, broadens its scope and allows for co-production with the Dominican Republic. The Group welcomes this development and stresses the need to ensure a stable and secure environment that allows companies to use the opportunities offered by the Hope II Act and invest in the country. Without such an environment, the gains from those valuable efforts to promote investment and job creation will remain modest.

26. The Group was pleased to note the high convergence between the "engines of growth" that it identified in its last report to the Council and the "vectors of growth" highlighted in the national growth and poverty reduction strategy paper (agriculture and rural development, tourism, infrastructures, and science and technology). These areas of work are the vectors for the long-term development of the country and will need to be pursued with determination. However, in the current situation, priorities for national and international action are understandably realigned towards addressing the problem of hunger and promoting agricultural development. Action in these fields by Haitian and international actors has become all the more urgent. This was evident during the events of April, which highlighted the fragility of the situation in the country and the destabilizing effects of price variation on a very vulnerable population.

III. The challenge of addressing the food crisis and enhancing rural development in Haiti

27. Between August 2007 and March 2008, the price of basic food commodities in Haiti increased by up to 65 per cent. At the time of the riots, a kilogramme of rice, the main staple in Haiti, cost 60 cents, i.e., 50 per cent more than at the same time the previous year. The price of beans, tinned milk and fruit rose by the same amount, while the price of pasta doubled.

28. This increase, which has been witnessed worldwide, came as a hard blow to an already vulnerable population, Haiti being one of the three countries with the highest calorie deficit per person (460 kilocalories per day for estimated needs of 2,100 kilocalories), according to the World Food Programme (WFP). According to data obtained by the Survey on Mortality, Morbidity and Use of Services, Haiti, 2005-2006 (EMMUS IV),[1] about a quarter of under-five-year-olds suffer from chronic malnutrition, while 60 per cent of under-fives and 46 per cent of women are anaemic. In this context of extreme poverty, the Group estimates that 60 per cent of the family budget is spent on food.

29. The day after the riots, President Préval approved a series of measures aimed at stabilizing prices and subsidizing national agricultural production; the latter meets only 43 per cent of the population's needs, 52 per cent being met by imports and 5 per cent by food aid. The Head of State also launched an appeal for international aid so that there would be sufficient resources to allow the Ministry of Agriculture to restart Haiti's agricultural production (by subsidizing fertilizer prices, purchasing tractors, providing technical assistance, etc.).

30. As early as February 2008, the United Nations held discussions with the Government and it was agreed that a response plan to address food insecurity would be consolidated. With the active support of the United Nations country team and the international community in general, such a plan was presented by the Prime Minister in early April, but, due to the political crisis, could not be officially launched by the Government. In the absence of an official framework for action, the country team issued a letter that drew heavily on the response plan and presented a short- and medium-term response strategy. Some $55 million were mobilized from United Nations resources and from several donors who contributed generously to

[1] Ministry of Public Health and Population, Republic of Haiti, January 2007.

the strategy presented in the letter. However, an additional $76.6 million are still required to enable the United Nations to fully play its role and mitigate the impact of the food and fuel crises on the most vulnerable Haitians.

31. The Group is pleased to note that the international community acted swiftly in coming to the country's aid, first of all through the United Nations system in Haiti, which released resources to be used as emergency assistance; this assistance was handed over during the field visits of the Director-General of the Food and Agriculture Organization of the United Nations (FAO) and the Regional Director of WFP. The two agencies have drawn up assistance plans aimed at restarting agricultural production, in the case of FAO, and distributing food to more than 2.3 million extremely underprivileged Haitians by the end of 2008, in the case of WFP. The latter, whose beneficiaries will triple in number under the plan, has launched an appeal for $54.1 million. An inter-agency mission (FAO, WFP, the International Fund for Agricultural Development (IFAD), World Bank) was fielded in June to build on the letter of the United Nations country team, review programmes that could be reallocated to respond to the immediate needs resulting from the food crisis, and pave the way for broader reforms, in particular related to agriculture and rural development.

32. The Group is also encouraged by the response by international donors and Governments in food aid and in-kind donations, an important part of which is channelled through the World Food Programme. As for the financial institutions, the Inter-American Development Bank has accelerated the disbursement of $27 million and the World Bank has supported the Government with a $10 million grant. It is noteworthy that philanthropic institutions have also been mobilized. The organization Yéle Haiti, the charitable foundation of the Haitian-born music star Wyclef Jean, launched a new initiative, in association with WFP in particular, aimed at raising $48 million over the next six months to fund expanded food distribution, job creation and assistance to farmers.

33. The official visits to Haiti, particularly of President Lula on 28 May, and of several ministers, secretaries of State and parliamentarians of the country's development partners, attest to the high level of support that Haiti enjoys. The Organization of American States also sent a high-level mission headed by its Secretary General. The Group wishes to stress that this mobilization is promising for Haiti and should be sustained.

34. The Group stresses the need to increase significantly the capacity of Haitian institutions in order to tackle the challenges related to the food and agricultural crisis and to manage the related funds provided to alleviate the hardships. In the meantime, given existing gaps, NGOs continue to play an important role in providing basic services to the population in order to cope with the current crisis. That role is more acute when the Government has a caretaking character, as has been the case in Haiti since April 2008.

35. The mobilization of a high number of actors has brought positive results. Food security conditions improved between early April and the beginning of June. Staple food prices stabilized at their mid-March levels following price stabilization measures for imported rice and in anticipation of upcoming harvests towards the end of June. For example, prices for imported rice and locally produced beans fell by 17 per cent and 11 per cent, respectively. International market prices for rice, wheat and corn also inched downwards.

36. The mobilization of the international community in support of Haiti is all the more important as the situation remains fragile. Indeed, a number of different factors could combine to plunge the country back into confrontation. As of now, the Haitian Government has succeeded in stabilizing fuel prices at the pump by absorbing the increases in the cost of fuel imports. Depending on the evolution of oil prices, this absorption may be difficult to sustain and lead to a further increase in the cost of living. In addition, massive unemployment remains of high concern and requires that development agencies further invest in labour-intensive public work programmes. While the current growing season is progressing well, with only localized rainfall deficits, stakeholders on the ground need to prepare for the hurricane season, which is expected to be more active than normal.

37. In this context, watershed management is a promising area of activity that enables trees to be planted and agricultural activities conducted in the areas created by terrace walls, the effects of cyclones reduced and plains protected, while giving work to thousands of Haitians. The Group encourages the United Nations Resident Coordinator, the Inter-American Development Bank and all development partners to continue their efforts in this regard and invites donors to support the large-scale development of such projects throughout the country. The coordination of such aid must be ensured so as to maximize its impact, with the help of the United Nations Resident Coordinator. In the short term, under his leadership, UNDP, with the support of WFP, the International Labour Organization and FAO, will be tripling the number of Haitians employed in watershed management activities.

38. The Group of Friends of Haiti at FAO met, at the request of Brazil, in Rome on 2 June, at the margins of the High-level Conference on World Food Security. The Group agreed to promote the preparation of a food guarantee and rural development programme for Haiti, supported by multilateral institutions. The European Union-Latin America and Caribbean summit, held in Lima in May 2008, reaffirmed support from participating countries to Haiti in its efforts to fulfil the pressing and long-term needs regarding food guarantee, and, to this end, agreed that a conference be held in Spain in July 2008, in order to move forward with the preparation of a food guarantee and rural development programme, in line with Haiti's own programme and consistent with current efforts of the international community. The conference will be presided over by France and Argentina and will be open to all Governments and donors involved in Haiti's reconstruction and development process.

IV. Conclusion and recommendations

39. Since the renewal of its mandate in July 2007, the Group has followed closely the situation in Haiti. While it has been encouraged by the evolution of the situation on various fronts, it is also concerned by the persistent instability and vulnerability observed in the country.

40. At the time of the publication of the present report, the fact that a new Prime Minister has not been confirmed and that the outgoing government is only in a caretaker position may affect the implementation of the recommendations below. The Group considers that political stability is paramount to the development work in Haiti. Considering the year 2008 a pivotal year for Haiti after four years of crisis, the Group hopes that a new Government will be put in place as soon as possible in order to work on this issue, including through follow-up of the recommendations of

the Group. The Group will provide additional information, as appropriate, to the Council during the consideration of the item at the substantive session of the Council in July 2008.

41. The Group reiterates its call on international stakeholders to stay the course and to consider increasing their support for Haiti. It continues to welcome the diversification of partners, including through South-South cooperation.

42. The Group continues to consider it imperative that Haiti remain on the international agenda and that appropriate support be given to the country, in particular by means of a strong United Nations presence on the ground through MINUSTAH. The Group firmly supports further renewals of its mandate in order to ensure and consolidate stability and security in Haiti.

43. The Group takes note of the work carried out by MINUSTAH, in consultation with the Haitian Government, on a consolidation plan in which key benchmarks will be identified. In this context, the Group fully agrees with the Secretary-General that:

> "In addition to the achievement of the goals with regard to which MINUSTAH has mandated responsibilities, lasting stability will require a tangible improvement in the living standards of the population and the creation of conditions for economic recovery. Key indicators of progress could include the availability of basic services such as health care and education, together with an increase in State revenue, a significant rise in GDP (with prospects for sustained growth over several consecutive years), a rise in the employment rate and an increase in internal and foreign direct investment." (See S/2008/202.)

44. The Group looks forward to working with the new Government of Haiti, following closely on its recommendations and providing advice on the development that the country acutely needs to consolidate its stability. In particular, the Group wishes to make the following recommendations addressed to the Haitian authorities, the United Nations system and donors, aimed at improving the economic and social situation in Haiti and the impact of development support.

A. Development planning and aid coordination

Recommendation 1

45. The Group commends the Haitian authorities for having succeeded in finalizing the national growth and poverty reduction strategy paper. The Group considers it very important that the high-level international conference on the implementation of the strategy paper be held as soon as a new government is in office.

Recommendation 2

46. The Group stresses the importance of integration of the national growth and poverty reduction strategy paper by all the Haitian authorities and institutions into their work, and that the mobilization of all stakeholders, in particular parliamentarians and private sector and civil society actors, will be key to the success of its implementation.

Recommendation 3

47. Given the deterioration of the economic and social situation in Haiti over the past 20 years and the recent impact of the food crisis on the stability of the country, the Group reiterates its call made last year for flexibility in programme delivery from United Nations funds, programmes and agencies and other donors. Such flexibility may also be warranted by the unprecedented level of expenditures that could be triggered by the implementation of the strategy paper.

Recommendation 4

48. In recovery and transition periods, direct execution of projects by international partners is often the preferred approach to delivery at the field level to ensure early and tangible results. However, the Group considers that the choice of this approach may be to the detriment of sustainable development objectives in the longer term. National execution is an important factor contributing to the development of national capacities. The Group recommends that projects that have not yet done so review their approach in this regard, with a view to achieving the level of capacity needed for sustainable national execution.

Recommendation 5

49. Given the completion of the national growth and poverty reduction strategy paper, the Group underscores the urgency of putting in place an effective coordination mechanism between donors and the Haitian Government, including a standing consultation mechanism with the non-governmental organizations active in Haiti. The Paris Declaration on Aid Effectiveness created a model for aid effectiveness and partnership that encourages partners such as the Government of Haiti and donors to constitute mechanisms for mutual accountability and compliance in meeting commitments.

Recommendation 6

50. The Group considers that joint/inter-agency programming, whenever feasible, should be the preferred approach for development activities, instead of coordinated approaches to programming by the United Nations funds and programmes.

Recommendation 7

51. The Group reiterates its recommendations made last year on the inclusion of a mechanism to track the disbursement of pledged funds, on the need to agree on a "common vocabulary" in order to facilitate international cooperation, and on the alignment by donors of their support with Haiti's objectives and strategies and to harmonize their support for capacity development.

B. Institutional capacity-building

Recommendation 8

52. The Group commends the work that has been carried out to strengthen institutions and promote the stabilization, democratization and development of the country. The Group stresses again the need to further develop parliamentary institutions in Haiti, in order to build the necessary consensus around, inter alia, the

implementation of the national growth and poverty reduction strategy paper and various institutional reforms.

Recommendation 9

53. The Group stresses the need to continue to reform the justice sector and other rule-of-law institutions in order to have an environment conducive to the normalization of private investment flows, among other positive effects. The Group is pleased that the needed legislation was adopted in Parliament to provide the basis necessary for justice reform, which is essential to build the confidence necessary to generate economic growth, social inclusion and equity.

Recommendation 10

54. The Group reiterates its recommendation on the need to tackle corruption as a necessary condition for the improvement of the delivery of basic services to the population, and welcomes efforts made by the Haitian authorities on this issue over the past year. The Group reiterates the importance of civil registration in the "formalization" of the economy of Haiti.

Recommendation 11

55. The Group reiterates its recommendation made on the protection of civil servants, whose tasks are essential to ensure the sustainability of State institutions and revenue collection. This will be more important, given the reorientation of MINUSTAH activities on border management.

C. Haitian and international levers for economic and social development, including in the context of the current food crisis

Recommendation 12

56. The Group considers that the private sector should be better engaged in moving Haiti out of poverty, particularly through job creation in the formal sector. The Group therefore urges the Haitian private sector to fully engage in the implementation of the national growth and poverty reduction strategy paper.

Recommendation 13

57. The Group urges again the Haitian authorities to integrate the gender dimension in all social and economic development policies in Haiti, in particular in the implementation of the strategy paper. The Group commends the efforts made by the Haitian authorities towards the implementation of the Convention on the Elimination of All Forms of Discrimination against Women.

Recommendation 14

58. The Group underlines the potential contribution of the Haitian diaspora to the development of Haiti. While private remittances are key to providing humanitarian aid and basic services to the population, the Group stresses the need to go beyond this aspect of diaspora contribution. The Group sees a clear need for further work to channel more systematically the diaspora's goodwill, technical competencies and

financial resources with a view to generating more significant economic growth for Haiti.

Recommendation 15

59. The Group is mindful of the issue of retention of qualified personnel in the country and suggests to the United Nations, donors and NGOs to provide policy advice and best practices in this regard.

Recommendation 16

60. The Group reiterates the importance of synergies between pacification through the restoration of State authority and the simultaneous implementation of sustainable development projects that consolidate local bodies. While the successes achieved at Cité Soleil occurred a year ago, the need to generate a peace dividend is still acute, in order to avoid criminal activities that can harm stability in the whole country.

Recommendation 17

61. The Group considers that close dialogue should be maintained between the United Nations country team and MINUSTAH to coordinate short-term activities, including quick-impact projects, with activities related to long-term sustainable development. There is a need to better understand the synergies of development activities led by both the country team and MINUSTAH to ensure that each initiative benefits overall development efforts in Haiti.

Recommendation 18

62. The Group witnessed the impact that food security issues can have on the stability of Haiti. The Group commends all efforts made by the Haitian authorities, the United Nations, donors and NGOs to alleviate the sufferings. It calls on donors to contribute to the strategy elaborated by the United Nations system for short and medium action towards mitigating the impact of the food and fuel crises on the most vulnerable Haitians. The Group also considers that the relevant provisions of the national growth and poverty reduction strategy paper should be implemented as quickly as possible in order to strengthen the agricultural and other relevant sectors so that Haitians may better tackle related challenges.

Recommendation 19

63. The Group regards with interest the implementation of employment-generation projects that have a positive impact on food security, environment protection and natural disaster preparedness. The Group looks forward to lessons learned on the implementation of such projects.

Recommendation 20

64. The Group considers again that employment-generation initiatives should take into account decent work standards.